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*Zur Litteraturgeschichte der Staats- und Sozialwissenschaften.*

Von GUSTAV SCHMOLLER. Leipzig, Duncker und Humblot, 1888. — 8vo, xii, 304 pp.

Just as Gustav Cohn has been called by his fellow countrymen the best German essayist in economics, so may Gustav Schmoller be described as *facile princeps* among German reviewers. The leader of the extreme historical sect in political economy has not won his position undeservedly. Professor Schmoller is not only a thorough economist, but a thorough historian and fully equipped with the widest philosophical training and knowledge. His historical works, whether on mediæval industry, mediæval commerce or mediæval taxation, are alike characterized by this broad philosophic spirit which has enabled him more successfully than any economist (except perhaps Rodbertus) to clearly expound the connection between the economic and the other phases of the world's development and to point out the close interdependence between law, politics, ethics and economics. In breadth of view, in depth of foundation, Schmoller is immeasurably superior to the English economic historian, Thorold Rogers. It is just these qualities that make Schmoller such an admirable reviewer. He seizes the salient traits of a work, and always succeeds in raising the discussion to a higher plane by noticing only the broader aspects of the question. He reviews by preference books on general theory and general economic development, but even in his notices of special works he traces with a light and graceful touch their relations to the wider problems of social progress.

The volume before us is a good example of Schmoller's best work. It is a collection of thirteen reviews, the majority of which have already been published during the past twenty-five years in various periodicals, chiefly in his own *Fahrbücher*. Most of these, however, have been revised and amplified. But the central essay, on Wilhelm Roscher, is entirely new, and the volume itself appears as a testimonial or *Festgabe* to Professor Roscher on the fiftieth anniversary of his doctorate.

Economists will perhaps find the first two essays, on Schiller and Fichte, too elaborate for their special purposes. They belong indeed more properly to a philosophic than to an economic treatise, but show Schmoller's tendency to philosophic generalizations in social development. On the other hand the last essay (written in 1883), on Menger, Dilthey and the recent Austrian reaction, belongs to a discussion that is still fresh in the memories of all; for this review, with its sarcastic touches, called forth Menger's bitter reply on the mistakes of the historical school (*Die Irrthümer des Historismus in der deutschen National-ökonomie*). Fair-minded critics must confess that Schmoller, although

perhaps a little extreme, emerged from this controversy victorious, and that he incontestably vindicated the claims of the historical school. The contest of principles has transferred itself during the last few years to this country also. In America the few older adherents of the orthodox school still pursue their way peacefully, seemingly unconscious of the attacks made upon them, but gradually losing touch with the mass of educated men. On the other hand the younger economists who still swear by the *a-priori* natural law method are in reality suffering a delusion. They think themselves still upon orthodox ground, but in truth they have insensibly been crowded from their old position. We hear a great deal about the "old school" and the "new school," but it is safe to say that McCulloch, Senior and the Manchester sect would fail to recognize the younger "old school" as their progeny. It is an easy matter for the younger "orthodox" writers to accept the chief reforms of the historical school, and then to say: "But we have always taught this." In reality they are teaching something quite different from the doctrines of their assumed spiritual fathers. To see the logical outcome of the orthodox method we must look to France. Compare its state of apathy in economic science until the last few years with the intellectual activity of Germany or Italy, and you see the effects of orthodoxy on the one hand and of sceptical heterodoxy on the other. That the extreme historical economists have sometimes erred by excessive impetuosity is no reason for denying that the historical and comparative method has to-day become an indispensable part of the economist's mental outfit. This does not imply that the economist must not employ abstract reasoning, but simply that his premises must be true to the facts, not creatures of fancy, and that his conclusions must conform to the tests of historical and statistical treatment. Economics is a social science, *i.e.*, it is an ethical and therefore an historical science, since ethical and social facts are the product of history. It is not a natural science, and therefore not an exact or a purely abstract science. If the "orthodox" will only bear this in mind, reconciliation will become an easy matter.

Schmoller's whole career has been an attempt to prove the truth of these doctrines, although he has undeniably laid himself open to the charge of being more of an historian than of an economist. All those, however, who desire to ascertain how current economic theories are regarded from the historical standpoint will do well to read the reviews of List, Carey, von Stein, Knies, Schäffle and Hertzka. These, together with essays on Henry George and certain recent works on statistics, complete the volume.

The central essay on Roscher, as was to be inferred from the dedication, is most eulogistic. At the same time it is conservative. Schmoller

declares that not only is Roscher the founder of the whole new movement in economics, but that he is to be admired on account of his reverence for his predecessors. Roscher in fact attempted not so much to overthrow as to build up. He accepted the conclusions of Adam Smith, Malthus and Ricardo, but sought to expand, to modify, to classify them. His wondrous historic learning enabled him to explain much that had been dark, and to add much to our fund of economic knowledge, especially in the second and third volumes of his great work — those on agriculture and commerce. Roscher of course is always to be spoken of with the highest respect, and yet a doubt often forces itself upon us whether he fully represents what is most vital and progressive in recent German development; whether his work is not too anecdotal and fragmentary, and whether his books have not more of an illustrative than of a dogmatic character. But Schmoller gently glides over these possible shortcomings and, as is fitting in such a book, calls attention only to what is valuable, noble and elevating in Roscher's work and character. And for this he deserves our thanks.

EDWIN R. A. SELIGMAN.

*Karl Rodbertus: Darstellung seines Lebens und seiner Lehre.*

Von H. DIETZEL, Professor zu Dorpat. Abtheilungen I, II. Jena, Gustav Fischer, 1886, 1888. — 92, 240 pp.

Literature concerning Rodbertus continues steadily to increase in Germany. We have here the first two instalments of what promises to be the most important contribution yet made to the analyses and criticisms of the works of the great socialistic thinker. The first part discusses the scientific and political career of Rodbertus; describing with considerable minuteness the course pursued by him in the Prussian parliaments of 1848 and 1849, and tracing with care his attitude towards Lassalle and towards the new German empire. In the second part the author devotes himself to the task of describing Rodbertus's theory of society and of the course of historic development, and to a criticism of the same. In a third part, still to be published, his economic theories are to be subjected to a similar treatment.

In spirit the author is impartial. He is neither a disciple nor an implacable opponent. He has no preconceived theory of social phenomena or tendencies to support. He writes from the standpoint of the historian, seeking to find the central idea of Rodbertus's system, and to ascertain the position which, as a social philosopher, he really occupied. The work is evidently based upon a most thorough study of Rodbertus's writings, and many suggestive points are brought out which previous writers have overlooked.